

# News from Ed Markey

## United States Congress Massachusetts Seventh District

**FOR IMMEDIATE RELEASE**

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**February 18, 2000**

### **Subcommittee Heeds Markey Call for Congressional Investigation of Home Heating Oil Price Increases; *Hearing Scheduled for March 9th***

**WASHINGTON, D.C. -- WASHINGTON, D.C. -- Representative Edward J. Markey (D-MA) today praised Rep. Joe Barton (R-TX) for responding promptly to Markey's letter calling for an immediate Congressional investigation to examine the causes of the recent spike in home heating oil prices. The hearing on the price increases is to be held on March 9th.**

**"Residents throughout the Northeast United States are experiencing and suffering from escalating home heating oil and diesel fuel prices," the letter said. "We are writing to request a hearing to determine ways to remedy this situation as quickly as possible."**

**Rep. Markey, was joined by Representatives Frank Pallone (D-NJ), Edolphus Towns (D-NY), and Rick Boucher (D-NY) in signing the letter, which was sent to Rep. Joe Barton (R-TX), the Chairman of the House Energy and Power Subcommittee, which has jurisdiction over the oil industry. All four of the Representatives signing the letter serve on the Subcommittee.**

**Shortly after Rep. Markey transmitted his call for an investigation, Chairman Barton responded by announcing that the Subcommittee would schedule a hearing on Thursday, March 9th, to examine price fluctuations in oil markets.**

**The huge jump in oil and heating oil prices has spurred the White House to announce emergency assistance for low-income families and Congress is trying to do its part by scheduling hearings that will study the underlying causes of the high cost and low supply of this essential commodities.**

**The White House and Congressional committees have largely been whipped into action by the persistent efforts of lawmakers from the Northeast, where heating oil bills have soared since January. Rep. Markey, working with other Members of the Massachusetts Congressional delegation, has been warning the Administration since last October of the threat of increased oil prices and the need for a comprehensive action plan to protect consumers adversely affected by the higher prices.**

**On Wednesday, President Clinton announced \$125 million for emergency heating assistance for low-income families. He said the money will be targeted toward the hardest-hit states, especially those with the highest usage of home heating oil. This is in addition to the \$175 million already**

released to help low-income families pay their heating bills.

That funding apart, Clinton has also announced a proposal to request from Congress an additional \$600 million in emergency supplemental funding to be used for the Low Income Home Energy Assistance Program (LIHEAP) to help hard-hit families weather the current crisis as well as others who may be in need of it when summer sets in. The President said he intends to send legislation to this effect to Congress in the next ten days.

Rep. Markey has also urged President Clinton to consider releasing of oil from the Strategic Petroleum Reserve (SPR) to deal with the situation. SPR oil sale or allowing the industry to borrow oil from SPR to be replaced later are proposals that have been floated by interested parties to address the oil price spike.

Rep. Markey along with several other lawmakers, have accused the member-nations of the Organization of Petroleum Exporting Countries of colluding to take 6 percent of the world's supply of oil off the markets in order to maximize profits. In response to this price gouging, Rep. Markey has called on the Clinton Administration to step up pressures on OPEC Member countries to immediately abandon their lower production quotas.

Currently, oil prices, which were less than \$15 per barrel a year ago, touched a peak of \$30 per barrel last week and are now hovering around \$28.

Rep. Markey concluded, "I'm pleased that we are going to have hearings in the Subcommittee to examine the outrageous increases in home heating oil prices that have been affecting consumers in New England and throughout the Northeast. We need to examine what steps can be taken to prevent this type of consumer rip-off from happening again."

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